



# Brownfields Cleanup Revolving Loan Fund Pilot

## *State of Minnesota*

Outreach and Special Projects Staff (5101)

Quick Reference Fact Sheet

EPA's Brownfields Economic Redevelopment Initiative is designed to empower states, communities, and other stakeholders in economic redevelopment to work together in a timely manner to prevent, assess, safely clean up, and sustainably reuse brownfields. A brownfield is a site, or portion thereof, that has actual or perceived contamination and an active potential for redevelopment or reuse. EPA is funding: assessment demonstration pilot programs (each funded up to \$200,000 over two years), to assess brownfields sites and to test cleanup and redevelopment models; job training pilot programs (each funded up to \$200,000 over two years), to provide training for residents of communities affected by brownfields to facilitate cleanup of brownfields sites and prepare trainees for future employment in the environmental field; and, cleanup revolving loan fund programs (each funded up to \$500,000 over five years) to capitalize loan funds to make loans for the environmental cleanup of brownfields. These pilot programs are intended to provide EPA, states, tribes, municipalities, and communities with useful information and strategies as they continue to seek new methods to promote a unified approach to site assessment, environmental cleanup, and redevelopment.

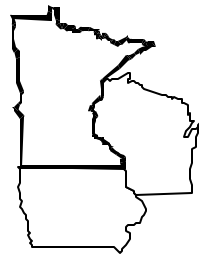
### BACKGROUND

The State of Minnesota's BCRLF Pilot will target brownfields within the City of Duluth, the regional center of northeastern Minnesota. Like other Midwest cities, Duluth has suffered the loss of its traditional manufacturing base and jobs. As a result, industrial facilities have been abandoned, many residents have left, and poverty rates have risen. Minority communities have been disproportionately affected by these losses. While Duluth focuses on economic development efforts that attract and maintain "value-added" manufacturing and service-sector jobs, it continues to experience job losses in key industries.

### BCRLF OBJECTIVES

With the aid of the BCRLF Pilot, the City of Duluth's goal is to attract and build a diverse and healthy manufacturing base. The city plans to use BCRLF funds to attract private reinvestment as it continues to reconstruct, redevelop, and revitalize itself into a community with a broad, service-oriented economic base. Brownfields reclamation is a major component of Duluth's overall community development strategy.

### PILOT SNAPSHOT



State of Minnesota

Date of Award:  
September 1997

Amount: \$350,000

BCRLF Target Area :  
Brownfields in the City of  
Duluth.

#### Contacts:

Minnesota Pollution  
Control Agency  
(612) 296-8411

Regional Brownfields Team  
U.S. EPA - Region 5  
(312) 886-7576

Visit the EPA Region 5 Brownfields web site at:  
<http://www.epa.gov/R5Brownfields/>

For further information, including specific Pilot contacts, additional Pilot information, brownfields news and events, and publications and links, visit the EPA Brownfields web site at:  
<http://www.epa.gov/brownfields/>

## FUNDSTRUCTUREANDOPERATIONS

The Minnesota Pollution Control Agency (MPCA) will be the Lead Agency for implementing the BCRLF Pilot and will serve as Site Manager to oversee cleanup. All sites getting BCRLF loans will receive oversight from the MPCA Voluntary Investigation and Cleanup (VIC) Program. MPCA Project Site Managers may vary from site to site, but will stay closely involved on projects enrolled in the VIC Program, reviewing work plans and cleanup investigations, approving cleanup plans, and providing onsite oversight to ensure compliance with CERCLA.

Northspan Group Inc., a non-profit development agency, will serve as the Fund Manager to oversee the day-to-day details of implementing the loan program. To prioritize potential projects and applications, emphasis will be placed on the extent of the contamination cleaned up, jobs created, private and total investment leveraged and net tax base increase for each application. The financing plan for the BCRLF involves an initial fund capitalization of \$350,000.

---

*Use of BCRLF Pilot funds must be in accordance with CERCLA, and all CERCLA restrictions on use of funding also apply to BCRLF funds.*

---